

HB 395-FN - AS INTRODUCED

2021 SESSION

21-0456
05/10

HOUSE BILL

395-FN

AN ACT relative to consideration of home-share income and exempting rentals of shared facilities from requirements under the real estate practice act.

SPONSORS: Rep. Burroughs, Carr. 1; Rep. Umberger, Carr. 2; Rep. Woodcock, Carr. 2; Rep. Knirk, Carr. 3; Sen. Bradley, Dist 3

COMMITTEE: Judiciary

ANALYSIS

This bill:

I. Exempts income from a home-share arrangement from the determination of net assets for purposes of determining eligibility for certain property tax exemptions. The bill also exempts such income from public assistance eligibility determinations.

II. Exempts the rental of shared facilities from licensure and regulation by the New Hampshire real estate commission.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to consideration of home-share income and exempting rentals of shared facilities from requirements under the real estate practice act.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Persons and Property Liable to Taxation; Exemption for the Disabled; Exclusion of Home-
2 share Income. Amend RSA 72:37-b, III(b) to read as follows:

3 (b) Owns net assets not in excess of the amount determined by the city or town for
4 purposes of paragraph I, excluding the value of the person's actual residence and the land upon
5 which it is located up to the greater of 2 acres or the minimum single family residential lot size
6 specified in the local zoning ordinance. The amount determined by the city or town shall not be less
7 than \$35,000 or, if married, combined net assets in such greater amount as may be determined by
8 the town or city. "Net assets" means the value of all assets, tangible and intangible, minus the value
9 of any good faith encumbrances, ***but shall not include any income from a home-share***
10 ***arrangement in which the applicant receives assistance with house work or other activities***
11 ***of daily living in exchange for reduced rent.*** "Residence" means the housing unit, and related
12 structures such as an unattached garage or woodshed, which is the person's principal home, and
13 which the person in good faith regards as home to the exclusion of any other places where the person
14 may temporarily live. "Residence" shall exclude attached dwelling units and unattached structures
15 used or intended for commercial or other nonresidential purposes.

16 2 Persons and Property Liable to Taxation; Exemption for Deaf or Severely Hearing Impaired
17 Persons; Exclusion of Home-share Income. Amend RSA 72:38-b, III(c) to ready as follows:

18 (c) Owns net assets not in excess of the amount determined by the city or town for
19 purposes of paragraph I, excluding the value of the person's actual residence and the land upon
20 which it is located up to the greater of 2 acres or the minimum single family residential lot size
21 specified in the local zoning ordinance. The amount determined by the city or town shall not be less
22 than \$35,000 or, if married, combined net assets in such greater amount as may be determined by
23 the town or city. "Net assets" means the value of all assets, tangible and intangible, minus the value
24 of any good faith encumbrances, ***but shall not include any income from a home-share***
25 ***arrangement in which the applicant receives assistance with house work or other activities***
26 ***of daily living in exchange for reduced rent.*** "Residence" means the housing unit, and related
27 structures such as an unattached garage or woodshed, which is the person's principal home, and
28 which the person in good faith regards as home to the exclusion of any other places where the person
29 may temporarily live. "Residence" shall exclude attached dwelling units and unattached structures
30 used or intended for commercial or other nonresidential purposes.

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1 3 Persons and Property Liable to Taxation; Conditions for Elderly Exemption; Exclusion of
2 Home-share Income. Amend RSA 72:39-a, I(c) to read as follows:

3 (c) Owns net assets not in excess of the amount determined by the city or town for
4 purposes of RSA 72:39-b, excluding the value of the person's actual residence and the land upon
5 which it is located up to the greater of 2 acres or the minimum single family residential lot size
6 specified in the local zoning ordinance. The amount determined by the city or town shall not be less
7 than \$35,000. A city or town may set a combined net assets amount for married persons in such
8 greater amount as the legislative body of the city or town may determine. "Net assets" means the
9 value of all assets, tangible and intangible, minus the value of any good faith encumbrances, **but**
10 ***shall not include any income from a home-share arrangement in which the applicant***
11 ***receives assistance with house work or other activities of daily living in exchange for***
12 ***reduced rent.*** "Residence" means the housing unit, and related structures such as an unattached
13 garage or woodshed, which is the person's principal home, and which the person in good faith
14 regards as home to the exclusion of any other places where the person may temporarily live.
15 "Residence" shall exclude attached dwelling units and unattached structures used or intended for
16 commercial or other nonresidential purposes.

17 4 New Paragraph; Eligibility for Assistance; Home-share Income. Amend RSA 167:4 by
18 inserting after paragraph V the following new paragraph:

19 VI. Any income from a home-share arrangement in which the applicant receives assistance
20 with house work or other activities of daily living in exchange for reduced rent shall be excluded
21 from income for purposes of determining eligibility for public assistance, including medical
22 assistance and food stamps; provided that, if eligibility for the assistance program is governed by
23 federal regulation, such income shall be disregarded to the extent permitted by federal law.

24 5 New Paragraph; Real Estate Practice Act; Exemption Added. Amend RSA 331-A:4 by
25 inserting after paragraph IX the following new paragraph:

26 X. Rentals of residential property by an owner or agent of the owner of a shared facility
27 under RSA 540-B.

28 6 Effective Date.

29 I. Sections 1-3 of this act shall take effect April 1, 2021.

30 II. The remainder of this act shall take effect 60 days after its passage.

HB 395-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to consideration of home-share income and exempting rentals of shared facilities from requirements under the real estate practice act.

FISCAL IMPACT: ☒ State ☐ County ☒ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

LOCAL:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This bill excludes income from home-share arrangements from the calculation of assets for property tax exemptions for disabled, deaf or severely hearing impaired and elderly individuals. Such calculation shall not include any income from a home-share arrangement in which the applicant receives assistance with house work or other activities of daily living in exchange for reduced rent. Any income from a home-share arrangement in which the applicant receives assistance with house work or other activities of daily living in exchange for reduced rent shall be excluded from income for purposes of determining eligibility for public assistance, and as allowable by federal law.

The Municipal Association states there may be a slight shift in tax burden from those who participate in home share arrangements to those who do not. There may be some indeterminable impact on local welfare expenditures depending on the fiscal impact on state and federal benefits provided to the applicant.

The Department of Health and Human Services states there would be an indeterminable increase in state expenditures and corresponding decrease in state revenue as a result of excluding income from home-sharing arrangements when determining eligibility for public assistance. There may be an indeterminable decrease in cost for certain long-term care services

for homemaker services. However, the bill provides that "if eligibility for the assistance program is governed by federal regulation, such income shall be disregarded to the extent permitted by federal law." The Department states that home sharing income of this type is not currently excludable by federal definition pursuant to 7 C.F.R. Sec. 273.9(c). The fiscal impact is therefore indeterminable.

The Office of Professional Licensure indicates the portion of the bill which exempts the rental of shared facilities from licensure and regulation by the New Hampshire Real Estate Commission has no fiscal impact for OPLC or the Real Estate Commission. Owners or agents of such properties where live-in workers assist with daily chores in exchange for reduced rent do not typically seek a license in order to facilitate such rentals.

Sections 1-3 relative to the property tax exemptions are effective April 1, 2021 and it is assumed sections 4 and 5 relating to eligibility for public assistance and the rental of shared facilities exemption from licensure would be effective July 1, 2021.

AGENCIES CONTACTED:

New Hampshire Municipal Association, Department of Health and Human Services, and Office of Professional Licensure and Certification